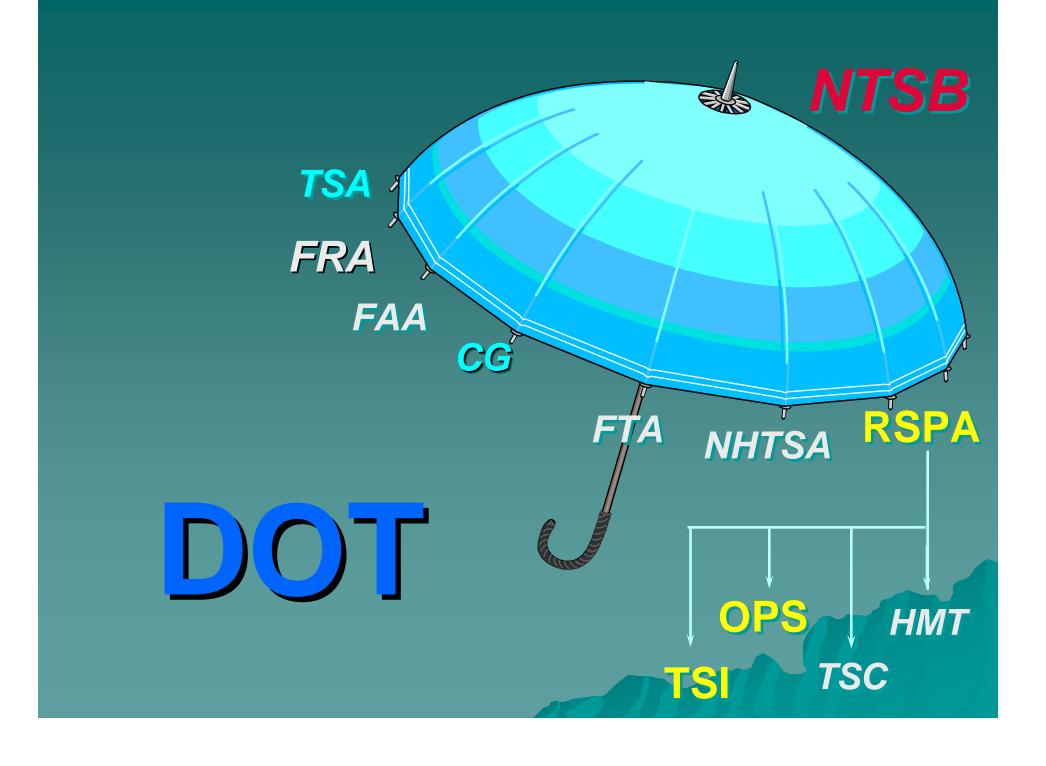
Natural Gas Pipeline Safety Seminar

Conway, Arkansas August 3 & 4, 2004

Arkansas Public Service Commission Transportation Safety Institute

Don McCoy

Transportation Safety Institute (405) 954-7306 dmccoy@tsi.jccbi.gov

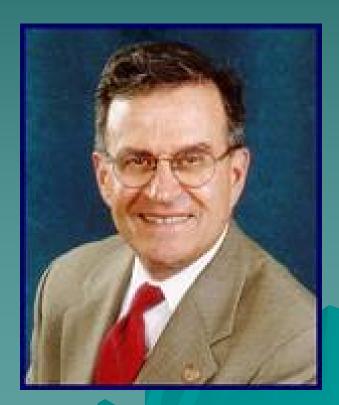


Secretary Department of Transportation



Administrator Research & Special Programs Administration

Sam Bonasso



Associate Administrator Office of Pipeline Safety

Stately Gerard



Pipeline Safety Websites

tsi.dot.gov ops.dot.gov primis.rspa.dot.gov

TSI Pipeline Safety Division

Pipe

Provides Training for:

State and Federal Pipeline Inspectors

Industry Personnel

International Info Sharing

Office of Pipeline Safety

- ♦Strategic Plans & Assessment
- ◆Technology & Standards
- →Monitoring State Programs
- →Compliance

OPS Priorities & Issues

- Integrity Management of Pipelines
 - Inspection & Enforcement of Liquid
 Pipelines (Large/Small)
 - Final Rule & Inspection for Gas
 Transmission Pipelines
- Clarification Of Operator Qualification Issues
- Pipeline Security Issues

OPS Priorities & Issues (continued)

- Re-Define Gathering Line
- Research & Development Projects
- Improved Public Awareness & Communications
- Relationships Between OPS/State Agencies





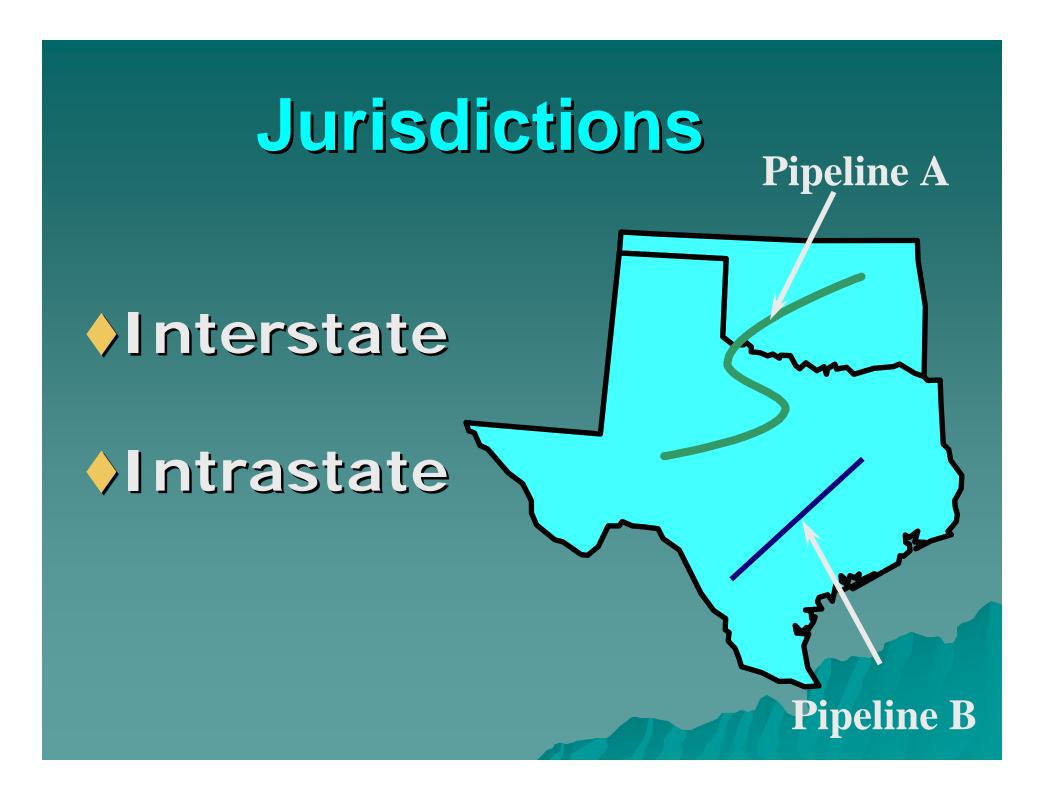
- **♦**Replaced the:
 - Natural Gas Pipeline Safety Act
 - Hazardous Liquid Pipeline Safety Act
- Establishes the Laws and Authority for the Safety of Pipelines

The Pipeline Safety
Improvement Act of 2002

Signed Into Law
December 17, 2002

- Authorizes Funding Levels for OPS & State
 Agencies Through FY06 & Continues Role of State Agents
- Increases Dollar Amounts for Civil Penalties (\$100K/\$1 M)
- Specifically Requires Integrity Management Programs
- Updates Provisions and Requirements Regarding One-Call Programs

- Periodic Review of Public Education
 Programs & Submittal to Regulatory
 Agencies
- ~ Pipeline Safety Grants to Communities
- Verification Requirements for Operator Qualification Programs
- Updated Pipeline Mapping Requirements Based on Security Constraints



State Programs

Section 60105 - State Certifications

♦Adopted:

Pipeline Safety Regulations as a <u>minimum</u>

Enforcement Authority

Compliance Section 60118

- **♦** Operator shall:
- Comply with Applicable Safety Standards
- > Prepare and Follow an O&M Plan
- Maintain Records Required by the Safety Standards

Developing A Regulation

Petitions (ideas) submitted by:

- Industry Organizations or Operators
- Government
- → Public
- Congress

Rulemaking Process

- Petition (idea) received
- ◆ NPRM (or ANPRM) drafted
- ◆ Internal review
- NPRM Published in Federal Register
- Comment period (normally 60 days)
- Public hearing or meeting (optional)
- ◆ Final Rule (FR) drafted
- Review & clearance thru RSPA
- Coordination thru OMB (if required)
- Published in Federal Register

Rulemaking Process

- Process may take months or years
- Affected parties encouraged to comment
- Preamble(s) are integral to NPRM and FR, but not enforceable
- DFR (direct final rule) process for non-controversial rules ~
 six months or less

Rulemaking Process

- May comment electronically
- www.regulations.gov
- Use "GO" button in upper right to select DOT, then RSPA
- Only applies to Open Dockets

Two Types of Regulations





Specification vs.
Performance

Specification Regulations

Advantages:

- Easy to Determine Compliance
- Easy to Determine a Course of Action
- Uniformity of Means of Compliance

Specification Regulations



Disadvantages

- Do Not Specify Level of Safety
- Do Not Allow for Variations in Environment, Operating, or Physical Characteristics
- ♦ May Require Unnecessary Cost
- Do Not Encourage Technology

Performance Regulations Advantages

- Allow for Adaptation to an Individual Situation
- Encourage Development of New Equipment
- Allow Economical Solutions to Achieve the Desired Level of Safety
- Promote Safety and Not the Letter of the Law

Performance Regulations Disadvantages

Difficult to Determine Compliance

Some operators may not understand exactly what is required, and attempts to comply may result in problems that could jeopardize safety

Regulation Construction

♦Part ~ 192 (193, 195, etc.)

♦Subpart (192) ~ A thru O

♦ Section ~ 192.1 - 192.809

→Paragraph ~ a, b, c, d, etc.

→Subparagraph ~ 1, 2, 3, etc.

Waivers Section 60118 of Law

Operator can be Waived from Compliance with a Safety Standard



Intrastate - Petition to State

Interstate - Petition to Regional Office

Waiver Concerns

- ♦ Not a way to "skirt" the law
- Not always timely
- Inconsistencies among states, states/OPS, and OPS
- No central database
- OPS has not always stated reasons for acceptance/rejection
- Not widely used by industry



#